

BE-11B(SF)

FORM BE-11B(SF) (Report for Majority-Owned Foreign Affiliate)  
(REV. 10/98)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

MANDATORY  
ANNUAL SURVEY  
OF U.S. DIRECT  
INVESTMENT  
ABROAD  
1998  
(Short Form)

BEA USE ONLY

Affiliate ID

F

Part I

IDENTIFICATION OF MAJORITY-OWNED FOREIGN AFFILIATE

Complete items 1 and 2 for affiliates being reported for the first time.

1. Name of U.S. Reporter of affiliate — Same as item 1, Form BE-11A

2. Name of foreign affiliate being reported — Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Form BE-577.

REPORTING REQUIREMENTS – Form BE-11B(SF) must be filed by the U.S. Reporter for each majority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; **OR** net income (loss) after provision for foreign income taxes was greater than \$20 million (positive or negative) but for which no one of these items was greater than \$50 million (positive or negative), at the end of, or for, the affiliate’s fiscal year. Read **Instruction Booklet** before completing form; in particular, see Part I.

DUE DATE – A completed BE-11 report (consisting of Form BE-11A and Form(s) BE-11B(LF), BE-11B(SF), and/or BE-11C) is due May 28, 1999.

ASSISTANCE – Telephone (202) 606–5566 during office hours – 8:00 a.m. to 4:30 p.m., eastern time.

TRANSLATION OF FOREIGN CURRENCY FINANCIAL AND OPERATING DATA INTO U.S. DOLLARS – The foreign affiliate’s financial and operating data should be translated from its functional currency to U.S. dollars using U.S. generally accepted accounting principles (FASB 52). See **Instruction Booklet**, Part IV.B.

GENERAL NOTES

1. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **Do not enter amounts in the shaded portions of each line.**

EXAMPLE – If amount is **\$1,334,891.00**, report as

Bil.	Mil.	Thous.	Dols.
	1	335	

2. If an item is between + or – \$500.00, enter "0."

3. Use parentheses () to indicate negative numbers.

3. Country of location – Country in which foreign affiliate’s physical assets are located or where its primary activity is carried out – Mark (X) one

1007	1 601	Australia	1 307	France	1 614	Japan	1 325	Switzerland	1	Other – Specify
	1 202	Brazil	1 308	Germany	1 213	Mexico	1 327	United Kingdom		
	1 100	Canada	1 314	Italy	1 319	Netherlands				

4. Enter the ending date of this foreign affiliate’s 1998 fiscal year

Month	Day	Year
1		98

5. Did the foreign business enterprise become a foreign affiliate of the U.S. Reporter during the fiscal year?

1009 1 1 Yes

If "Yes," did the U.S. Reporter – Mark (X) one

2 1 Establish the foreign affiliate?

2 2 Acquire a voting interest of 10 percent or more in an existing foreign company?

1 2 No

Enter date

Month	Year
3	

Ownership Interest in This Foreign Affiliate by U.S. Reporter Named in Item 1

Enter the U.S. Reporter’s direct and indirect ownership interest based on voting stock if an incorporated foreign affiliate, or an equivalent interest if an unincorporated foreign affiliate. – Enter to the nearest tenth of one percent.

Percent of ownership at close of fiscal year 1998 (1)

6. Direct ownership interest

1011	1				.		%
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7. Indirect ownership interest held through U.S. Reporter’s other foreign affiliates – See Instruction Booklet, Part I.B.1.c., on how to calculate indirect ownership interest.

1018	1				.		%
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8. Total ownership interest of U.S. Reporter – Sum of items 6 and 7

1050	1				.		%
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9. Identification of foreign affiliate parent(s) — If there is an entry in item 7 — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate.

Foreign affiliate holding direct ownership interest in this foreign affiliate

Name and ID Number	BEA ID Number	Percent direct ownership in this foreign affiliate
Enter name from item 2 and affiliate ID number from foreign affiliate parent’s Form BE-11B(LF) or (SF) or BE-11C.		Close FY (2)
a.	1191	2 . %
b.	1192	2 . %
c.	1193	2 . %
d.	1194	2 . %
TOTAL		2 . %

10. Give name(s) and mailing address(es) of other U.S. person(s) having a direct and/or indirect ownership interest of 10 percent or more in this foreign affiliate.

Name	Mailing address

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1021

1

2

3

4

5

Part IIDENTIFICATION OF MAJORITY-OWNED FOREIGN AFFILIATE — Continued

11. Major activity of foreign affiliate

A list, and an explanation of, the International Surveys Industry (ISI) codes used below are given in the **Guide to Industry and Foreign Trade Classifications for International Surveys**. For an inactive foreign affiliate, indicate the activity pertinent to the last active period; for "start-ups," indicate the intended activity.

Mark (X) one:

- 1025

1 1

☐

**Production** – The foreign affiliate is primarily engaged in manufacturing, fabricating, assembling, processing, growing, or mining or extracting (including exploring for or developing) a product. These activities are coded in the 000, 100, 200, or 300 series, except 070, 108, 124, 138, and 148 of the list of ISI codes.
- 1 2

☐

**Sales** – The foreign affiliate is primarily engaged in selling (at wholesale or retail) products which it does not produce. These activities are coded in the 500 series of the list of ISI codes.
- 1 3

☐

**Services** – The foreign affiliate is primarily engaged in providing a service such as public utilities, transportation, lodging, consulting, accounting, engineering, holding companies, etc. These activities are coded in the 400, 600, 700, or 800 series, or in 070, 108, 124, 138, or 148, of the list of ISI codes.

Sales or gross operating revenues of foreign affiliate by industry

Enter the 3-digit ISI code(s) and the amount of sales (as reported in item 27) associated with each code. If you use fewer than four codes, you must account for total sales. For inactive affiliates, show the industry classification(s) pertinent to the last active period; for "start-ups" with no sales, show the intended activity(ies).

Holding companies should show total income. To be considered a holding company, a company’s equity in the net income of affiliates that it holds must constitute a majority of its total income and, in general, it must have a sizable portion (usually, at least 50%) of its total assets invested in affiliates that it holds.

ISI code 671, "holding company," is an invalid classification when the foreign affiliate being reported generates, or is expected to generate, more than 50% of total income from other activities.

usually, at least 50%) or its total assets invested in affiliates that it holds. ISI code 671, "holding company," is an invalid classification when the foreign affiliate being reported generates, or is expected to generate, more than 50% of total income from other activities.				ISI code (1)	Amount (2)					
					Bil.	Mil.	Thous.	Dols.		
12. Enter code with largest sales or gross operating revenues				1028	1	2				
13. Enter code with 2nd largest sales or gross operating revenues				1029	1	2				
14. Enter code with 3rd largest sales or gross operating revenues				1030	1	2				
15. Enter code with 4th largest sales or gross operating revenues				1031	1	2				
16. Sales or gross operating revenues not accounted for above				1033		2				
17. TOTAL SALES — Sum of items 12 through 16 —————→				1034		2				
BEA USE ONLY		1035	1		2		3		4	5

Part IISELECTED FINANCIAL AND OPERATING DATA OF MAJORITY-OWNED FOREIGN AFFILIATE

Section A – Balance Sheet Items

**NOTE** — Report equity investments in all foreign affiliates owned 20 percent or more (including majority-owned foreign affiliates) on an equity basis to include equity in undistributed earnings since acquisition; for those owned less than 20 percent, report at cost.

		Balance at close of fiscal year (1)			
		Bil.	Mil.	Thous.	Dols.
		1			
18. Total assets	2046				
19. Of which: <b>Property, plant, and equipment, net</b> — Land, timber, mineral rights and like rights owned; structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized tangible and intangible exploration and development costs of the foreign affiliate LESS accumulated depreciation for those items. <i>Include items on capital leases from others, per FASB 13. Exclude all other types of intangible assets, and land held for resale.</i>	2034	1			
20. Total liabilities	2050	1			
21. Total owners’ equity — Item 18 minus item 20	2055	1			
		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
		1			
22. <b>Net income (loss)</b> – Net income for the year, after provision for foreign income taxes, but before dividends on common and preferred stock. Include income from equity investments and realized and unrealized gains (losses) (net of income tax effects) included in the determination of net income.	2066	1			
23. <b>Total employment</b> — The total number of full-time and part-time employees on the payroll at the end of the fiscal year, excluding home workers and independent sales personnel who are not employees. A count taken during, rather than at the end of, the fiscal year may be used provided it is a reasonable proxy for the end fiscal year number. If employment at the end of the fiscal year, or the count taken at some other time during the fiscal year, was unusually high or low because of temporary factors (e.g., a strike), the number of employees that reflects normal operations should be given. If the business enterprise’s activity involves large seasonal variations, the average number of employees for the fiscal year should be given.	5158	1			
		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
		1			
24. <b>Total employee compensation</b> — Include wages and salaries, i.e., employees’ gross earnings (before payroll deductions), all direct and in-kind payments by the employer to employees and employer expenditures for all employee benefit plans, including those required by statute, those resulting from collective bargaining contracts, and those that are voluntary. Include deferred postemployment and post retirement expenses in accordance with FASB 106. Compensation data should be based on payroll records. They should relate to activities during the reporting period regardless of whether such activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.	5162	1			
25. <b>Expenditures for property, plant, and equipment (PP&amp;E)</b> — Except for those affiliates that explore for or develop natural resources (see below), include capitalized gross expenditures to acquire, add to, or improve real PP&E, including transfers in. Do not include the cost of PP&E acquired through the acquisition of a majority interest in the capital stock of another business enterprise. Sales, other dispositions, depreciation, amortization, depletion, or reclassifications of fixed assets should not be netted against gross expenditures. Gross expenditures for foreign affiliates engaged in <b>natural resource exploration and development</b> should include the full amount of the exploration and development expenditures made during a given year whether capitalized or expensed. Gross expenditures for foreign affiliates engaged in <b>insurance or financial services</b> should include the full amount of expenditures for PP&E regardless of how these expenditures are classified in financial statements, e.g., include purchases of real estate for investment purposes. Reclassifications of expenditures made in prior years are <b>not</b> to be reported in the period they are reclassified; such expenditures are considered to be expenditures only in the year when initially expended.	4115	1			
<b>Research and development (R&amp;D) expenditures</b> — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, overhead of this affiliate whether or not allocated to others, and indirect costs.					
26. <b>R&amp;D performed BY the affiliate</b> — All R&D performed by this foreign affiliate, whether for its own account or for others (including the U.S. Reporter or its other foreign affiliates). Exclude the cost of any R&D funded by the affiliate but performed by others, such as the affiliate’s allocated share of R&D performed by the U.S. Reporter (report such R&D on Form BE-11A, item 35).	2078	1			

BEA USE ONLY	2074	1	2	3	4	5
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Section C — Distribution of Sales or Gross Operating Revenues

27. Sales or gross operating revenues excluding sales taxes	TOTAL <i>Column (1) equals the sum of columns (2) through (7)</i>				Local sales		Sales to U.S.		Sales to other countries	
					To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	To U.S. Reporter(s)	To unaffiliated customers	To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers
					(2)	(3)	(4)	(5)	(6)	(7)
	Bil.	Mil.	Thous.	Dols.						
5167	1				2	3	4	5	6	7

▶

Section D — U.S. Merchandise Trade of Foreign Affiliate – Goods Only, Do NOT Include Services

IMPORTANT NOTES

This section requires the reporting of data on U.S. merchandise trade of the foreign affiliate in FY 1998. The data should be on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped, in order for them to be on the same basis as official U.S. trade statistics to which they will be compared. A U.S. import or U.S. export should **not** be recorded here if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even though they may have been charged to the foreign affiliate by, or charged by the foreign affiliate to, a U.S. person.

However, foreign affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when, and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference between the two bases, the "shipped" basis must be used or adjustments must be made to the data on a "charged" basis to approximate a "shipped" basis, as discussed in the **Instruction Booklet**, Part VI.B. Data in this section cover all goods that physically left or entered the U.S. customs area in FY 1998, including capital goods but excluding the value of ships, planes, railroad rolling stock, and trucks that

were temporarily outside the United States transporting people or merchandise. Consigned goods must be included in the trade figures when shipped or received, even though not normally recorded as sales or purchases or entered into intercompany accounts when initially consigned. The data should include goods only; they should **exclude** services. Thus, U.S. merchandise exports and imports of the foreign affiliate to be shown here may not be the same as the foreign affiliate's sales to, or purchases from, U.S. persons because, among other reasons, sales and purchases may include services.

Exclude from exports and imports the value of any goods **that** are in-transit. In-transit goods are **goods that are not** processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit imports are goods that are en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

• U.S. MERCHANDISE EXPORTS TO AFFILIATE IN FY 1998					Amount (1)			
					Value f.a.s. U.S. port			
					Bil.	Mil.	Thous.	Dols.
					1			
28. Goods shipped to affiliate by U.S. Reporter(s)					4116			
29. Goods shipped to affiliate by other U.S. persons					4117			
• U.S. MERCHANDISE IMPORTS FROM AFFILIATE IN FY 1998					Value f.a.s. foreign port			
					Bil.	Mil.	Thous.	Dols.
					1			
30. Goods shipped by affiliate to the U.S. Reporter(s)					4118			
31. Goods shipped by affiliate to other U.S. persons					4119			
BEA USE ONLY	5211	1	2	3	4	5		
	5212	1	2	3	4	5		
	5213	1	2	3	4	5		

Remarks

SUMMARY OF INDUSTRY CLASSIFICATIONS

AGRICULTURE, FORESTRY, AND FISHING

- 010 Agricultural production – crops
- 020 Agricultural production – livestock and animal specialties
- 070 Agricultural services
- 080 Forestry
- 090 Fishing, hunting, and trapping

MINING

- 101 Iron ores
- 102 Copper, lead, zinc, gold, and silver ores
- 107 Other metallic ores
- 108 Metal mining services
- 120 Coal
- 124 Coal mining services
- 133 Crude petroleum extraction (no refining) and natural gas
- 138 Oil and gas field services
- 140 Nonmetallic minerals, except fuels
- 148 Nonmetallic minerals services, except fuels

CONSTRUCTION

- 150 Construction

MANUFACTURING

- 201 Meat products
- 202 Dairy products
- 203 Preserved fruits and vegetables
- 204 Grain mill products
- 205 Bakery products
- 208 Beverages
- 209 Other food and kindred products
- 210 Tobacco products
- 220 Textile mill products
- 230 Apparel and other textile products
- 240 Lumber and wood products
- 250 Furniture and fixtures
- 262 Pulp, paper, and board mills
- 265 Other paper and allied products
- 271 Newspapers
- 272 Miscellaneous publishing
- 275 Commercial printing and services
- 281 Industrial chemicals and synthetics
- 283 Drugs
- 284 Soap, cleaners, and toilet goods
- 287 Agricultural chemicals
- 289 Chemical products, n.e.c.
- 291 Integrated petroleum refining and extraction
- 292 Petroleum refining without extraction
- 299 Petroleum and coal products, n.e.c.
- 305 Rubber products
- 308 Miscellaneous plastics products
- 310 Leather and leather products
- 321 Glass products
- 329 Stone, clay, concrete, gypsum, and other nonmetallic mineral products
- 331 Primary metal industries, ferrous
- 335 Primary metal industries, nonferrous
- 341 Metal cans, forgings, and stampings

MANUFACTURING – Continued

- 342 Cutlery, hardware, and screw products
- 343 Heating equipment, plumbing fixtures, and structural metal products
- 349 Metal services; ordnance; and fabricated metal products, n.e.c.
- 351 Engines and turbines
- 352 Farm and garden machinery
- 353 Construction, mining, and materials handling machinery
- 354 Metalworking machinery
- 355 Special industry machinery
- 356 General industrial machinery
- 357 Computer and office equipment
- 358 Refrigeration and service industry machinery
- 359 Industrial and commercial machinery, n.e.c.
- 363 Household appliances
- 366 Household audio and video, and communications equipment
- 367 Electronic components and accessories
- 369 Electrical machinery, n.e.c.
- 371 Motor vehicles and equipment
- 379 Other transportation equipment
- 381 Measuring, scientific, and optical instruments
- 384 Medical instruments and supplies and ophthalmic goods
- 386 Photographic equipment and supplies
- 390 Miscellaneous manufacturing industries

TRANSPORTATION, COMMUNICATION, AND PUBLIC UTILITIES

- 401 Railroads
- 441 Petroleum tanker operations
- 449 Other water transportation
- 450 Transportation by air
- 461 Pipelines, petroleum and natural gas
- 462 Pipelines, except petroleum and natural gas
- 470 Petroleum storage for hire
- 472 Passenger transportation arrangement
- 477 Transportation, n.e.c., warehousing, terminal facilities, and related services
- 481 Telephone and telegraph communications
- 483 Other communications services
- 490 Electric, gas, and sanitary services

WHOLESALE TRADE

- 501 Motor vehicles and equipment
- 503 Lumber and construction materials
- 504 Professional and commercial equipment and supplies
- 505 Metals and minerals, except petroleum
- 506 Electrical goods
- 507 Hardware, and plumbing and heating equipment and supplies
- 508 Machinery, equipment, and supplies
- 509 Durable goods, n.e.c.
- 511 Paper and paper products
- 512 Drugs, proprietaries, and sundries

WHOLESALE TRADE – Continued

- 513 Apparel, piece goods, and notions
- 514 Groceries and related products
- 515 Farm-product raw materials
- 517 Petroleum and petroleum products
- 519 Nondurable goods, n.e.c.

RETAIL TRADE

- 530 General merchandise stores
- 540 Food stores
- 554 Gasoline service stations
- 560 Apparel and accessory stores
- 580 Eating and drinking places
- 590 Retail trade, n.e.c.

FINANCE, INSURANCE, AND REAL ESTATE

- 600 Banks
- 603 Savings institutions and credit unions
- 612 Other finance
- 631 Life insurance
- 632 Accident and health insurance
- 639 Other insurance
- 650 Real estate
- 671 Holding companies, except bank holding companies
- 679 Franchising, business — selling or licensing

SERVICES

- 700 Hotels and other lodging places
- 731 Advertising
- 734 Services to buildings
- 735 Equipment rental and leasing, except automobiles and computers
- 736 Personnel supply services
- 741 Computer processing and data preparation services
- 742 Information retrieval services
- 743 Computer related services, n.e.c.
- 749 Other business services
- 751 Automotive rental and leasing, without drivers
- 752 Automotive parking, repair, and other services
- 760 Miscellaneous repair services
- 780 Motion pictures, including television tape and film
- 790 Amusement and recreation services
- 800 Health services
- 810 Legal services
- 820 Educational services
- 871 Engineering, architectural, and surveying services
- 872 Accounting, auditing, and bookkeeping services
- 873 Research, development, and testing services
- 874 Management and public relations services
- 890 Other services provided on a commercial basis

NONBUSINESS ENTITIES

- 900 Government entities
- 905 Nonbusiness entities, except government

Remarks